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OGC 77-6931

2 November 1977

MEMORANDUM FOR: Director of Central Intelligence

FROM: Anthony A. Lapham
                 General Counsel

SUBJECT: Conflict of Interests -- Reporting Employment
                 and Financial Interests

ALL SIGNATURE ON

1. Action Requested: Your review of the attached Statement of Employment and Financial Interests. This memorandum also provides for your information a highlight of procedures in force within the Agency as safeguards against conflicts of interest.

2. Background: Each year, pursuant to Executive Order 11222, "Standards of Ethical Conduct for Government Officers and Employees," certain officers and employees throughout the Government are required to prepare and submit to their supervisors statements of their outside employment and financial interests for review for possible conflicts of interests. While each Directorate is responsible for reviewing the statements of its own employees, it is the responsibility of the General Counsel to examine such statements whenever any question of illegality or impropriety is raised. In addition he must review those statements of officials paid at a level of the Executive Schedule and forward his own statement to the Director of Central Intelligence for review. At the present time I am preparing to review the statements of the Deputy Directors.

3. As you are aware, each employee of the Executive Branch is subject to the rules of conduct and financial disclosure requirements established by statute, Executive Order, and applicable Government directives. Any employee who violates these rules of conduct could be prosecuted pursuant to 18 U.S.C. §201, et seq., and subject to disciplinary action, including official reprimand, probation, suspension, or separation pursuant to regulations promulgated in accordance with

STAT E. O. 11222 (Tab A). The Agency has adopted [   ] (Tab B) and [   ] STAT (Tab C) to guide employees in the fulfillment of their ethical responsibilities. In addition, members of my staff are available to help counsel employees regarding these responsibilities.